

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
Transcriber's Office

April 3, 2000 LB 1003, 1010, 1330
 LR 494

Kristensen amendment. Items for the record, please, Mr. Clerk.

CLERK: Mr. President, thank you. New resolution. (Read LR 494 by title for the first time.) And Senator Pederson, amendment to LB 1003; Senator Raikes, to LB 1330. (Legislative Journal pages 1534-1538.)

Mr. President, Senator Wickersham would move to amend the Kristensen amendment. (FA369, Legislative Journal page 1538.)

SENATOR CUDABACK: Senator Wickersham, to open on your amendment to the Kristensen amendment.

SENATOR WICKERSHAM: Thank you, Mr. President. This is a very simple and technic...this is a technical amendment, but I think it's necessary in order to have the language make sense. If you have the amendment in front of you, on line 4, on line 4, after the word "return", you would insert "at the final bid value." Now all that language does is give you a standard against which to compute the expected return; there's no other standard in the amendment. If it brought \$100, then you compute what you had as previous return against that \$100, divide the 100 into it and you get a percentage return. If that's higher or lower than the rate of return from the Investment Council, that's what you do. But you have to have that number at the end; you have to have the determination of the number that you're going to calculate the return against, and that number ought to be the bid value, the final bid value, because it's that value that represents the alternative to you. Are you going to do better in real estate, or are you going to do better in a diversified portfolio managed by the Investment Council? It has to be that final bid value that you use against that calculation. I think it's what's intended in the language of the amendment, but it simply makes it explicit that that's what you will do, take that final bid value, use that to calculate your return as a real estate return against the return that you would get out of stocks or bonds, the investment portfolio of the Nebraska Investment Council. And with that, I'd yield the rest of my time to Senator Kristensen.

SENATOR CUDABACK: Senator Kristensen, you have about eight minutes.